GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1780
ANSWERED ON:10.03.2017
WPI based Inflation
Kamal Nath Shri ;Scindia Shri Jyotiraditya Madhavrao

Will the Minister of FINANCE be pleased to state:

(a) whether the Wholesale Price Index (WPI) based inflation has risen in the month of January, 2017;

(b) if so, the factors responsible for increase in WPI based inflation in the month of January, 2017; and

(c) whether the Government has taken or propose to take corrective steps to bring down the WPI based inflation and if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ARJUN RAM MEGHWAL)

(a) & (b) The Wholesale Price Index (WPI) based inflation increased to 5.2 per cent in January, 2017 from 3.4 per cent in the previous month mainly due to rise in 'fuel & power' inflation reflecting hike in global crude oil prices.

(c) The Government has taken a number of measures to control inflation. The steps taken, inter alia, include, (i) increased allocation for Price Stabilization Fund in the budget 2017-18 to check volatility of prices of essential commodities, in particular of pulses; (ii) created buffer stock of pulses through domestic procurement and imports; (iii) announced higher Minimum Support Prices so as to incentivize production; (iv) issued advisory to States/UTs to take strict action against hoarding and black marketing under the Essential Commodities Act 1955 and the Prevention of Black-marketing and Maintenance of Supplies of Essential Commodities Act, 1980; (v) imposed 20 per cent duty on export of sugar; and (vi) reduced import duty on potatoes, wheat and palm oil.
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